

The Boomer Esiason Foundation

Financial Statements
and
Independent Auditor's Report

Years Ended March 31, 2021 and 2020

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Independent Auditor's Report

To the Board of Directors
The Boomer Esiason Foundation
New York, NY

We have audited the accompanying financial statements of The Boomer Esiason Foundation, which comprise the statements of financial position of The Boomer Esiason Foundation as of March 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Boomer Esiason Foundation as of March 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



SNYDER COHN, PC
North Bethesda, Maryland
November 23, 2021



The Boomer Esiason Foundation
Statements of Financial Position

March 31	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,236,400	\$ 1,464,465
Contributions receivable, net	84,098	183,032
Prepaid expenses	168,127	471,351
Investments - held to maturity	2,933,275	2,512,117
Other current assets	90,803	93,959
Total current assets	<u>5,512,703</u>	<u>4,724,924</u>
Property and equipment, net	<u>39,487</u>	<u>44,640</u>
Other assets:		
Cash - restricted	197,150	187,812
Deposits	15,717	15,717
Total other assets	<u>212,867</u>	<u>203,529</u>
Total assets	<u>\$ 5,765,057</u>	<u>\$ 4,973,093</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 185,538	\$ 340,139
Deferred revenue	216,000	1,233,000
Paycheck Protection Program loan	547,140	-
Total current liabilities	<u>948,678</u>	<u>1,573,139</u>
Commitments		
Net assets:		
Without donor restrictions	4,312,844	3,079,390
With donor restrictions	503,535	320,564
Total net assets	<u>4,816,379</u>	<u>3,399,954</u>
Total liabilities and net assets	<u>\$ 5,765,057</u>	<u>\$ 4,973,093</u>

See Accompanying Notes

The Boomer Esiason Foundation

Statement of Activities

For the year ended March 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues:			
Public support	\$ 2,300,045	\$ 897,742	\$ 3,197,787
Special events	1,934,237	-	1,934,237
Interest and dividends	115,159	682	115,841
Other	1,898	-	1,898
Gain on investments	64,643	-	64,643
Total public support and revenues	4,415,982	898,424	5,314,406
Net assets released from restrictions:			
Satisfaction of purpose restrictions	715,453	(715,453)	-
Expenses:			
Programs:			
Special events	764,373	-	764,373
Educational	1,548,331	-	1,548,331
Scholarship program	677,432	-	677,432
Web services	254,593	-	254,593
Total programs	3,244,729	-	3,244,729
Support services:			
Management and general	300,446	-	300,446
Fundraising	352,806	-	352,806
Total support services	653,252	-	653,252
Total expenses	3,897,981	-	3,897,981
Change in net assets	1,233,454	182,971	1,416,425
Net assets - beginning	3,079,390	320,564	3,399,954
Net assets - ending	\$ 4,312,844	\$ 503,535	\$ 4,816,379

See Accompanying Notes

The Boomer Esiason Foundation

Statement of Activities

For the year ended March 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues:			
Public support	\$ 1,986,006	\$ 924,244	\$ 2,910,250
Special events	907,847	-	907,847
Interest and dividends	68,390	2,408	70,798
Other	778	-	778
Gain on investments	1,664	-	1,664
Total public support and revenues	2,964,685	926,652	3,891,337
Net assets released from restrictions			
Satisfaction of purpose restrictions	1,195,294	(1,195,294)	-
Expenses:			
Programs:			
Special events	906,356	-	906,356
Educational	1,608,694	-	1,608,694
Scholarship program	1,332,746	-	1,332,746
Web services	318,541	-	318,541
Total programs	4,166,337	-	4,166,337
Support services:			
Management and general	422,753	-	422,753
Fundraising	384,537	-	384,537
Total support services	807,290	-	807,290
Total expenses	4,973,627	-	4,973,627
Change in net assets	(813,648)	(268,642)	(1,082,290)
Net assets - beginning	3,893,038	589,206	4,482,244
Net assets - ending	\$ 3,079,390	\$ 320,564	\$ 3,399,954

See Accompanying Notes

The Boomer Esiason Foundation

Statement of Functional Expenses

For the year ended March 31, 2021

	Programs				Support Services			Total Expenses	
	Special Events	Educational	Scholarship Program	Web Services	Total Programs	Management and General	Fundraising		Total Support Services
Advertising	\$ -	\$ 106,282	\$ 123,125	\$ -	\$ 229,407	\$ -	\$ -	\$ -	\$ 229,407
Bad debts	-	-	-	-	-	400	-	400	400
Bank charges	29	-	3	-	32	4,095	-	4,095	4,127
Grants and allocations	22,269	642,585	150,771	-	815,625	882	2,557	3,439	819,064
Insurance	28,007	13,250	158	109	41,524	20,183	884	21,067	62,591
Licenses and fees	-	571	6,274	-	6,845	2,297	-	2,297	9,142
Office expense	10,797	24,955	1,218	9,201	46,171	25,560	2,628	28,188	74,359
Photographer	-	70	-	-	70	-	-	-	70
Postage and delivery	3,895	3,557	3,394	-	10,846	1,889	1,942	3,831	14,677
Printing and reproduction	4,357	550	1,500	-	6,407	185	555	740	7,147
Prizes	23,983	-	-	-	23,983	891	2,672	3,563	27,546
Project expenses	238,871	244,387	38,883	2,838	524,979	133,906	298,519	432,425	957,404
Recognition gifts	58,737	-	225	-	58,962	3,431	7,077	10,508	69,470
Rent	24,795	123,974	-	-	148,769	11,058	8,265	19,323	168,092
Salaries and benefits	344,683	386,546	351,220	242,445	1,324,894	89,087	27,230	116,317	1,441,211
Travel	3,950	1,604	661	-	6,215	1,429	477	1,906	8,121
Total functional expenses before depreciation	764,373	1,548,331	677,432	254,593	3,244,729	295,293	352,806	648,099	3,892,828
Depreciation and amortization	-	-	-	-	-	5,153	-	5,153	5,153
Total functional expenses	\$ 764,373	\$ 1,548,331	\$ 677,432	\$ 254,593	\$ 3,244,729	\$ 300,446	\$ 352,806	\$ 653,252	\$ 3,897,981

See Accompanying Notes

The Boomer Esiason Foundation

Statement of Functional Expenses

For the year ended March 31, 2020

	Programs					Support Services			Total Expenses
	Special Events	Educational	Scholarship Program	Web Services	Total Programs	Management and General	Fundraising	Total Support Services	
Advertising	\$ -	\$ 117,358	\$ 122,000	\$ -	\$ 239,358	\$ -	\$ -	\$ -	\$ 239,358
Bad debts	-	-	-	-	-	2,166	-	2,166	2,166
Bank charges	-	-	3,313	-	3,313	3,952	-	3,952	7,265
Grants and allocations	11,229	541,151	667,876	-	1,220,256	2,598	811	3,409	1,223,665
Insurance	61,692	20,228	8,199	3,440	93,559	32,121	1,427	33,548	127,107
Licenses and fees	365	558	12,850	144	13,917	1,084	288	1,372	15,289
Office expense	6,290	36,908	3,980	31,892	79,070	83,146	1,844	84,990	164,060
Photographer	170	40	-	-	210	55	135	190	400
Postage and delivery	2,345	3,916	3,776	-	10,037	2,927	2,281	5,208	15,245
Printing and reproduction	7,993	21,011	2,575	-	31,579	2,230	2,326	4,556	36,135
Prizes	9,077	-	-	-	9,077	525	59,103	59,628	68,705
Project expenses	315,282	329,293	134,127	25,564	804,266	149,679	260,470	410,149	1,214,415
Recognition gifts	42,958	107	1,239	-	44,304	10,792	8,358	19,150	63,454
Rent	25,766	128,830	-	-	154,596	19,477	8,589	28,066	182,662
Salaries and benefits	406,200	395,384	343,147	257,501	1,402,232	92,774	32,200	124,974	1,527,206
Travel	16,989	13,910	29,664	-	60,563	10,080	6,705	16,785	77,348
Total functional expenses before depreciation	906,356	1,608,694	1,332,746	318,541	4,166,337	413,606	384,537	798,143	4,964,480
Depreciation and amortization	-	-	-	-	-	9,147	-	9,147	9,147
Total functional expenses	\$ 906,356	\$ 1,608,694	\$ 1,332,746	\$ 318,541	\$ 4,166,337	\$ 422,753	\$ 384,537	\$ 807,290	\$ 4,973,627

See Accompanying Notes

The Boomer Esiason Foundation

Statements of Cash Flows

For the years ended March 31	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 1,416,425	\$ (1,082,290)
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation and amortization	5,153	9,147
Realized loss on investments	36,814	-
Unrealized gain on investments	(101,457)	(1,664)
(Increase) decrease in:		
Contributions receivable, net	98,934	507,689
Prepaid expenses	303,224	(343,371)
Other current assets	3,156	(366)
Deposits	-	(2,038)
Increase (decrease) in:		
Accounts payable and accrued expenses	(154,601)	106,276
Deferred revenue	(1,017,000)	1,025,350
Net cash provided by operating activities	<u>590,648</u>	<u>218,733</u>
Cash flows from investing activities:		
Payments made for purchase of investments	(2,899,652)	(67,376)
Proceeds from sale of investments	2,543,137	30,891
Net cash used in investing activities	<u>(356,515)</u>	<u>(36,485)</u>
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan	547,140	-
Net increase in cash, cash equivalents, and restricted cash	781,273	182,248
Cash, cash equivalents, and restricted cash - beginning	1,652,277	1,470,029
Cash, cash equivalents, and restricted cash - ending	<u>\$ 2,433,550</u>	<u>\$ 1,652,277</u>
Reconciliation of cash, cash equivalents, and restricted cash reported on the statement of financial position:		
Cash and cash equivalents	\$ 2,236,400	\$ 1,464,465
Restricted cash	197,150	187,812
Total cash, cash equivalents, and restricted cash - ending	<u>\$ 2,433,550</u>	<u>\$ 1,652,277</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	\$ -	\$ -

See Accompanying Notes

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 1: Summary of significant accounting policies:

The Boomer Esiason Foundation (the Foundation) is a charitable organization created on February 1, 1993 under the laws of the State of New York. Since its inception, the primary purpose of the Foundation has been to financially assist and provide charitable funding for scientific and medical research regarding cystic fibrosis. The Foundation also provides enhanced support for patient services in addition to providing increased awareness and education about cystic fibrosis. The Foundation sponsors an annual dinner and golf tournament along with other charitable special events to raise funds for its primary purpose.

Basis of presentation - The Foundation prepares its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. Certain funds, while without donor restrictions, have been designated by the Foundation for a particular purpose or program.

Net assets with donor restrictions - Amounts that are specifically restricted by donors or grantors for various purposes or future time periods. When a restriction expires, with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statement of activities as net assets released from restrictions.

Cash and cash equivalents - For purposes of preparing the statements of financial position and cash flows, the Foundation considers all investments purchased with a maturity of three months or less to be cash equivalents.

Restricted cash - During 2008, the Foundation began receiving donations to establish a permanent endowment fund to provide scholarships. Terms of the endowment require the funds to be segregated from other Foundation funds. The donor-designated endowment is reported as net assets with donor restrictions. The Foundation held \$13,707 and \$8,656 of funds that were not transferred to the restricted account as of March 31, 2021 and 2020, respectively. Subsequent to each year end, the Foundation transferred these funds to the restricted account.

Investments - Investments, which consist of equity securities, donated equity securities, bond funds and held to maturity investments, are reported at fair value, which is established at readily determinable current market values. Donated investments are sold as soon after donation as possible.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 1: Summary of significant accounting policies: (continued)

Contributions receivable - Contributions are recorded as revenue in the period committed. All receivables are due within one year; therefore, no discount is required. Contributions receivables are stated net of an allowance for doubtful accounts. The Foundation estimates the allowance based on an analysis of specific donors, taking into consideration the age of the past due amounts and an assessment of the donor's ability to pay. At March 31, 2021 and 2020, management believes that no allowance for doubtful accounts is necessary.

Property and equipment - The Foundation capitalizes all expenditures for property and equipment in excess of \$5,000. Property and equipment are stated at original cost or, if donated, at fair market value at the date of donation. Depreciation is computed using straight-line methods over the estimated useful lives of the related assets. Depreciation expense for the years ended March 31, 2021 and 2020 was \$5,153 and \$6,469, respectively. Property and equipment consisted of the following at March 31:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 47,133	\$ 47,133
Vehicles	67,850	67,850
Leasehold improvement	60,934	60,934
Accumulated depreciation	<u>(136,430)</u>	<u>(131,277)</u>
Total property and equipment	<u>\$ 39,487</u>	<u>\$ 44,640</u>

Website development costs - Website development costs include costs incurred to develop a virtual world web project for the cystic fibrosis community. During August 2016, the website was placed in service. Amortization expense for the years ended March 31, 2021 and 2020 was \$-0- and \$2,678, respectively. Website costs consisted of the following at March 31:

	<u>2021</u>	<u>2020</u>
Website development costs	\$ 24,100	\$ 24,100
Accumulated amortization	<u>(24,100)</u>	<u>(24,100)</u>
Total website development costs	<u>\$ -</u>	<u>\$ -</u>

Deferred revenue - Payments received prior to March 31, 2021 and 2020, which relate to charitable special events to be held in the subsequent fiscal year, have been deferred.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 1: Summary of significant accounting policies: (continued)

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could vary from the estimates that were used. Significant estimates were used when calculating the net realizable value of the contributions receivable. It is at least reasonably possible that the Foundation's estimate will change materially in the near term.

Federal income taxes - The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accounting for uncertainty in income taxes - The Foundation accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax effect is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for uncertain tax positions. Interest and penalties, if any, are accrued as a component of general and administrative expenses when assessed. The Foundation has identified its tax status as a tax-exempt entity under Section 501(c)(3) and its determination that it has no unrelated business income as tax positions; however, the Foundation has determined that such tax positions do not result in an uncertainty requiring recognition. Income tax years ended prior to March 31, 2018 are no longer subject to audit by taxing authorities.

Advertising - The Foundation expenses advertising costs as incurred. Total advertising expense for the years ended March 31, 2021 and 2020 was \$229,407 and \$239,358, respectively.

Concentration of credit risk - The Foundation maintains its cash balances at various financial institutions. The accounts at each of these institutions are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At various times throughout the year, cash balances at these institutions exceeded the federally insured limits. The Foundation has not experienced any losses with respect to its cash balances.

Contributions payable - Contributions are recorded as expense in the period committed.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 1: Summary of significant accounting policies: (continued)

Joint costs of activities that include a fundraising appeal - The Foundation achieves some of its programmatic goals during special events that include elements of management and general and fundraising. The costs of conducting those events included a total of \$653,064 and \$635,306 of joint costs that are not directly attributable to either the program, management and general or the fundraising component of the activities for the years ended March 31, 2021 and 2020, respectively. Those joint costs consisted of the following at March 31:

	<u>2021</u>	<u>2020</u>
Program	\$ 339,897	\$ 381,289
Management and General	13,813	23,238
Fundraising	<u>299,354</u>	<u>230,779</u>
Total joint costs	<u>\$ 653,064</u>	<u>\$ 635,306</u>

Risks and uncertainties - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact the Foundation's operating results, but the related financial impact is unknown at this time.

Fair value measurements - The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 1: Summary of significant accounting policies: (continued)

Fair value measurements (continued) - If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Change in accounting principle - In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 requires an organization to recognize revenues to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity is expected to be entitled in exchange for those goods or services. On April 1, 2020, the Organization adopted ASU 2014-09, using the modified retrospective approach. The Organization applied the five-step revenue model stipulated by ASC 606 to all of its significant revenue streams in order to determine when revenue is earned and recognized.

Due to the terms explicitly defined in the Foundation's contracts, the adoption of this ASU did not materially impact the timing or amount of revenue recognized by the Organization in the accompanying financial statements. Previously reported net assets were unchanged as a result of adoption.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 2: Liquidity and availability

The following reflects the Foundation's financial assets on March 31, 2021, reduced by amounts that are not available for general use because of donor imposed or time restrictions within one year of the balance sheet date.

	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 2,236,400	\$ 1,464,465
+Restricted cash	197,150	187,812
Contributions receivable, net	84,098	183,032
	2,517,648	1,835,309
Less those unavailable for general expenditure within one year, due to:		
Endowment	(210,857)	(196,468)
Amounts designated for future purpose restrictions	(93,100)	(124,096)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,213,691	\$ 1,514,745

Net assets with donor restrictions consist of cash received to be used for specific program expenditures in the coming fiscal year or as part of an endowment the foundation received. The Boomer Esiason Foundation relies on Individual, Foundation and Corporate donors to provide the resources to support the Foundation's operating activities.

Note 3: Investments:

FASB ASC 820 requires financial assets and liabilities to be valued and disclosed based on the fair value hierarchy. The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value at March 31, 2021:

	Total	Level 1	Level 2	Level 3
Bond funds	\$2,805,495	\$2,805,495	\$ -	\$ -
Epistemic AI, Inc.	13,750	-	-	13,750
Total investments at fair value	\$2,819,245	\$2,805,495	\$ -	\$ 13,750

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 3: Investments: (continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value at March 31, 2020:

	Total	Level 1	Level 2	Level 3
Bond funds	\$2,398,458	\$2,398,458	\$ -	\$ -
Epistemic AI, Inc.	-	-	-	-
Total investments at fair value	\$2,398,458	\$2,398,458	\$ -	\$ -

Donated equity securities are sold as soon after donation as possible. As of March 31, 2021 and 2020 all donated investments had been sold.

The Foundation's investment return was made up of the following for the years ended March 31:

	2021	2020
Realized loss on investments	\$ (36,814)	\$ -
Less: investment fees	-	-
Total realized loss on investments	(36,814)	-
Unrealized gain on investments	101,457	1,664
Total gain on investments	64,643	1,664
Interest and dividends	115,841	70,798
Total investment return	\$ 180,484	\$ 72,462

The investments are designated as unrestricted and as such, the investment return is included as increases or decreases in without donor restriction net assets.

At March 31, 2021, the Foundation held a certificate of deposit totaling \$114,030. The annual yield and the term for this certificate of deposit are as follows:

Type	Value	Term	Yield
CD	\$ 114,030	6 months	0.10%

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 3: Investments: (continued)

At March 31, 2020, the Foundation held a certificate of deposit totaling \$113,659. The annual yield and the term for this certificate of deposit are as follows:

<u>Type</u>	<u>Value</u>	<u>Term</u>	<u>Yield</u>
CD	\$ 113,659	9 months	0.40%

Note 4: Paycheck Protection Program loan:

On April 17, 2020, the Foundation was granted a loan (the "Loan") from Sandy Spring Bank in the aggregate amount of \$273,570, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan matures on April 17, 2022 and bears interest at a rate of 1.00% per annum.

Additionally, on March 18, 2021, the Foundation was granted another loan (the "Loan") from Sandy Spring Bank in the aggregate amount of \$273,570, pursuant to the Continuing the Paycheck Protection Program and Other Small Business Support (the "PPP") under Division N, Title III of the Consolidated Appropriations Act, 2021, which was enacted December 27, 2020. The Loan matures on March 18, 2023 and bears interest at a rate of 1.00% per annum.

The PPP provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. Under the current terms of the PPP, the loans and accrued interest are forgivable after 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loans forgiveness will be reduced if the borrower terminates employees or reduces salaries during the measurement period. On June 17, 2021, the April 17, 2020 loan was forgiven by the U.S. Small Business Administration, including all principal and accrued interest related to the loan. While the Foundation currently believes that its use of the March 18, 2021 loan proceeds will meet the conditions for forgiveness of the Loan, it cannot be assured that the amount of the Loan will be forgiven, in whole or in part.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 5: Net assets with donor restrictions:

The net assets with donor restrictions of the Foundation are available for the following purposes at December 31:

	<u>2021</u>	<u>2020</u>
Endowment	\$ 210,857	\$ 196,468
Education and other purposes	<u>292,678</u>	<u>124,096</u>
Total net assets with donor restrictions	<u>\$ 503,535</u>	<u>\$ 320,564</u>

Note 6: Related party transactions:

Certain members of the Board and companies owned by these Board members conduct business with the Foundation for accounting and consulting services. As of March 31, 2021 and 2020, the amounts included in accounts payable that were due to various Board members were \$-0- and \$5,764, respectively. For the years then ended, the related expenses for these services were \$69,828 and \$77,475, respectively. During the years ended March 31, 2021 and 2020, certain employees and members of the Board pledged contributions to the Foundation and had various personal expenses paid on their behalf. As of March 31, 2021 and 2020, the amounts included in contributions receivable that were due from various employees and Board members were \$2,037 and \$1,255, respectively.

Note 7: Defined contribution plan:

The Foundation sponsors a qualified 403(b) pension plan for the benefit of eligible participating employees. Employer contributions to the plan are discretionary and based on a percentage of employee compensation. Participants are vested in employer contributions according to provisions of the plan. Effective May 1, 2014, the plan was amended to require one year of service in order for participants to be eligible for employer contributions. Employer contributions for the years ended March 31, 2021 and 2020 were \$26,999 and \$99,540, respectively.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 8: Commitments:

The Foundation entered into a 60-month lease for office space in New York City, NY effective September 1, 2009. The lease was renewed multiple times, and the most recent lease was renewed for 60 months effective September 1, 2019. The Foundation also entered into a 24-month lease for office space in Garden City Park, NY effective October 1, 2012. The lease was renewed multiple times, and the most recent lease was renewed for 36 months effective October 1, 2021. In addition to base rent and additional rent for utilities, the Foundation is also required to reimburse the landlord for its proportionate share of real estate taxes at each of these locations. Minimum future rental payments under these leases are as follows:

2022	\$	171,273
2023		197,800
2024		204,917
2025		<u>115,131</u>
Total	\$	<u>689,121</u>

Rent expense under these lease agreements was \$165,302 and \$171,777 for the years ended March 31, 2021 and 2020, respectively.

Note 9: Donor-designated endowment:

At March 31, 2021 and 2020, the Foundation's permanently restricted endowment consisted of one donor-restricted fund established to provide scholarships. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 9: Donor-designated endowment: (continued)

The Board of The Boomer Esiason Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as with donor restrictions net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. These donor-restricted endowment funds will remain with donor restrictions net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The expected total return from income and the appreciation of investments
- (5) Other resources of the Foundation

The endowment assets are currently deposited into an interest-bearing bank account. Under the terms of the endowment, interest earnings are to be used to fund scholarships and are therefore treated as temporarily restricted net assets; interest earned on this account for the years ended March 31, 2021 and 2020 was \$682 and \$2,408, respectively. The Foundation has yet to determine investment and spending policies for the endowment as of March 31, 2021.

Composition of and changes in endowment net assets for the years ended March 31 were as follows:

	<u>2021</u>	<u>2020</u>
Endowment net assets, beginning of year	\$ 196,468	\$ 185,404
Contributions	<u>14,389</u>	<u>11,064</u>
Endowment net assets, end of year	<u>\$ 210,857</u>	<u>\$ 196,468</u>

The Boomer Esiason Foundation

Notes to Financial Statements

March 31, 2021 and 2020

Note 10: In-kind contributions:

In-kind contributions are reflected as contributions at the estimated fair value of the donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. The Foundation received donated prizes, food and beverages for the years ended March 31, 2021 and March 31, 2020 for \$34,560 and \$-0- respectively.

Note 11: Functional allocation of expenses:

The costs of providing various programs and other activities have been summarized in the statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited using various cost allocation techniques. Directly identifiable expenses are charged to programs and support services. Expenses related to more than one function are charged to programs and support services on the basis of personnel salary. Special events are primarily to educate and are deemed program expenses. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation. The overall expense allocated to programs was 83% and 84% for 2021 and 2020, respectively

Note 12: Subsequent events:

Subsequent events have been evaluated through November 23, 2021, which is the date the financial statements were available to be issued.

Snyder Cohn, PC
CPAs and Trusted Advisors
11200 Rockville Pike, Suite 415
North Bethesda, MD 20852
www.snydercohn.com
301-652-6700